



6 March 2009

AUASB releases eight *Clarity* format exposure drafts

The Auditing and Assurance Standards Board (AUASB) today released eight exposure drafts of Australian Auditing Standards (ASAs) in *Clarity* format for comment by 6 April 2009, including:

- [ASA 500](#) *Audit Evidence*
- [ASA 501](#) *Audit Evidence – Specific Considerations for Selected Items*
- [ASA 700](#) *The Auditor's Report on a General Purpose Financial Report*
- [ASA 705](#) *Modifications to the Opinions in the Independent Auditor's Report*
- [ASA 706](#) *Emphasis of Matter Paragraphs and Other Matters Paragraphs in the Independent Auditor's Report*
- [ASA 800](#) *Special Considerations – Audits of Financial Reports Prepared in Accordance with Special Purpose Frameworks*
- [ASA 805](#) *Special Considerations - Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement*
- [ASA 810](#) *Engagements to Report on Summary Financial Statements*

According to Merran Kelsall, AUASB Chairman, the structure of this group of standards has changed quite significantly; for example, extant ASA 701 has been split into ASA 705 and ASA 706, and two new standards, ASA 805 and ASA 810, deal with subject matters other than financial reports.

“Although the underlying concepts of an auditor’s reporting responsibilities remain unaltered, these new standards contain a number of important changes. For example, alerting readers that the financial report, prepared in accordance with a special purpose framework, will have to be through an “Emphasis of Matter” paragraph and no longer within the scope section of the auditor’s report. Another example is that an “Other Matters” paragraph has been introduced, whereby the auditor can provide information about the audit, the auditor’s responsibilities or the auditor’s report that the auditor considers relevant to the user’s understanding of the audit.

“These changes mean that practitioners will have to amend their standardised audit reports (macros),” Ms Kelsall said.

Once finalised, it is intended the revised ASAs will be operative for audits of financial reporting periods beginning on or after 1 January 2010.

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The Auditing and Assurance Standards Board (AUASB) is an independent, national statutory board of the Australian Government, responsible for developing standards and related guidance for auditors and providers of other assurance services.